

AMENDED IN ASSEMBLY JULY 30, 1998

AMENDED IN ASSEMBLY JUNE 24, 1998

AMENDED IN SENATE MAY 21, 1998

AMENDED IN SENATE MAY 5, 1998

AMENDED IN SENATE APRIL 2, 1998

SENATE BILL

No. 1641

Introduced by Senator Burton

February 13, 1998

An act to repeal and add Section 5006.8 of the Public Resources Code, relating to Candlestick Park, ~~and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1641, as amended, Burton. Candlestick Park.

Existing law requires the Department of Parks and Recreation to retain in perpetuity, as a unit of the state park system, the state recreation area at Candlestick Point and authorizes the department to enter into an agreement with the City and County of San Francisco for the operation and maintenance by the city and county of all or any part of that unit.

This bill would repeal that provision and would instead allow the Director of Parks and Recreation and the State Lands Commission to enter into agreements with the city, on terms and conditions the director and the commission determine to be in the best interest of the state, to convey, to

the city, no more than 20 acres of state property to be used for permanent public parking for a project approved by the voters of the city; and no more than 60 acres of state property to be used for intermittent public parking for the project, as specified. The bill would require the consideration for these conveyances to equal the fair market value of the property interests and would allow monetary consideration or specified actions to serve as consideration for those agreements, including the relinquishment of the city's reversionary rights over parcels conveyed to the state in 1983 for the formation of the state park.

~~The bill would require all proceeds from the exchange of state lands that are received by the State Lands Commission to be deposited into the Land Bank Fund in the State Treasury and would continuously appropriate those General Fund moneys to the commission for the purpose of providing necessary state review of management of public trust property.~~

The bill would make findings concerning the public trust for commerce, navigation, and fisheries, for purposes of Section 3 of Article X of the California Constitution, with regard to tidelands within the project area, and would allow the commission to sell those tidelands free of the public trust to the city. The bill would provide for the reservation of minerals and mineral rights, as specified.

The bill would allow an action to be brought to quiet title with regard to an agreement entered into pursuant to the bill.

Vote: ~~2/3~~majority. Appropriation: ~~yes~~ no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature hereby finds and
2 declares that the project, as defined in Section 5006.8 of
3 the Public Resources Code, will further general statewide
4 purposes, such as the elimination of blight and the
5 redevelopment of the proposed project area, the
6 generation of new sales tax revenues, property taxes, and
7 other tax revenues to the state and state agencies, the
8 creation of thousands of new jobs, and enhanced access of

1 the public to use and enjoy the Candlestick Park
2 Recreation Area, including, but not limited to, the
3 statewide purposes specified in Chapter 2 of the Statutes
4 of 1958, First Extraordinary Session.

5 SEC. 2. Section 5006.8 of the Public Resources Code
6 is repealed.

7 SEC. 3. Section 5006.8 is added to the Public
8 Resources Code, to read:

9 5006.8. (a) For purposes of this section, the following
10 definitions shall apply:

11 (1) "City" means the City and County of San
12 Francisco.

13 (2) "Project" means the development of a
14 combination of uses, such as a stadium, retail and
15 entertainment center, and associated support uses,
16 including parking, approved by the voters of the city by
17 Propositions D and F at the June 3, 1997, special election.

18 (3) "Project area" means the total area necessary for
19 the project as shown on the site diagram.

20 (4) "Recreation area" means the Candlestick State
21 Recreation Area.

22 (5) "Site diagram" means that certain preliminary
23 conceptual site drawing, dated July 22, 1998, on
24 file with the Department of City Planning of the city,
25 showing, for reference purposes only, the project area,
26 including the proposed location of the new ring road, the
27 area within the inner circumference of the new ring road
28 for permanent public parking use, and the area outside
29 the outer circumference of the new ring road for
30 temporary or intermittent public parking use on state
31 property. For purposes of this section, the final site
32 diagram for the project area, which shall supersede any
33 preliminary site diagrams, shall be subject to the approval
34 of the department and the State Lands Commission.

35 (6) "State property" means the property or interests
36 in property owned by the state located within the project
37 area. A portion of the state property is proprietary land
38 under the jurisdiction of the Department of Parks and
39 Recreation and the remainder of the state property is

1 sovereign land under the jurisdiction of the State Lands
2 Commission.

3 (b) Notwithstanding any other provision of law, the
4 director may enter into agreements, on those terms and
5 conditions that the director determines to be in the best
6 interests of the state, concerning the development and
7 operation of the project. The agreements may provide
8 for, without limitation, easements, exchanges, quit claims,
9 leases, operating agreements, special use permits, or
10 agreements for the conveyance of fee title of any
11 property interests of the department within the
12 recreation area. The department shall receive at least fair
13 market value for the property interests conveyed by the
14 department. The department may execute leases,
15 operating agreements, and special use permits regarding
16 proprietary lands within the state property for terms not
17 exceeding 66 years. The director may change the
18 boundaries of the recreation area as necessary to reflect
19 the agreements contemplated by this section.

20 (c) Notwithstanding any other provision of law, the
21 State Lands Commission may enter into agreements
22 regarding any sovereign lands within the state property,
23 on those terms and conditions that the State Lands
24 Commission determines to be in the best interests of the
25 state, concerning the development and operation of the
26 project. Subject to applicable requirements of the public
27 trust for commerce, navigation, and fisheries, the
28 agreements may provide, without limitation, for leases,
29 operating agreements, and, to the extent permitted
30 under paragraph (1) or (2), sale or exchange agreements
31 of all or any portion of state property. Those leases shall
32 be for a term not exceeding 66 years. Any land or interest
33 in land received in an exchange shall have a value that is
34 equal to or greater than the value of the property interest
35 conveyed by the State Lands Commission. In furtherance
36 of the foregoing:

37 (1) The State Lands Commission may enter into
38 agreements *providing for the exchange of trust lands*,
39 including agreements providing for termination of the
40 public trust or the termination of any trust imposed by

1 Chapter 1333 of the Statutes of 1968, as amended, or both;
2 ~~or the exchange of trust land within the project area~~
3 ~~whereby any.~~ Any of the lands that are subject to the trust
4 may be exchanged for other land *inside or outside the*
5 *project area* that is at least equal or greater in value,
6 which is useful for trust purposes, and that is in a location
7 approved by the State Lands Commission, if the findings
8 set forth in Section 5 of Chapter 310 of the Statutes of 1987
9 are made, or, for those lands that are not included in
10 Chapter 1333 of the Statutes of 1968, as amended, if the
11 requirements of Section 6307 are satisfied.

12 (2) For purposes of Section 3 of Article X of the
13 California Constitution, the Legislature hereby finds and
14 declares that tidelands within the project area that were
15 reserved to the state solely for street purposes and that,
16 as found by the State Lands Commission, meet each of the
17 criteria set forth in subparagraphs (A) to (E), inclusive,
18 are no longer useful for navigation purposes and are not
19 necessary for those purposes, and may be sold by the State
20 Lands Commission, to the city, free of the public trust or
21 any trust imposed by Chapter 1333 of the Statutes of 1968,
22 as amended, or both. Before any reserved street areas
23 within the project area may be sold, the State Lands
24 Commission shall make all of the following findings
25 regarding reserved street areas proposed for sale:

26 (A) The area has been filled and reclaimed.

27 (B) The area is located within the outer
28 circumference of the ring road for the project, as shown
29 on the site diagram.

30 (C) The area is no longer needed or required for
31 promotion of the public trust for commerce, navigation,
32 and fisheries.

33 ~~(D) The area is not within the boundaries of any~~
34 ~~shoreline park.~~

35 ~~(E)–~~

36 (D) The state will receive consideration for the sale of
37 the street area that is equal to or greater in value than the
38 value of the street areas sold.

39 (3) In any case in which the state, pursuant to this
40 section, conveys filled tidelands or submerged lands to

1 the city, the state shall reserve all minerals and all mineral
2 rights in the lands of every kind and character now known
3 to exist or hereafter discovered, including, but not limited
4 to, oil and gas and rights thereto, together with the sole,
5 exclusive, and perpetual right to explore for, remove, and
6 dispose of those minerals by any means or methods
7 suitable to the state or to its successors and assignees,
8 except that, notwithstanding Chapter 1333 of the Statutes
9 of 1968, as amended, or Section 6401, this reservation shall
10 not include the right of the state or its successors or
11 assignees in connection with any mineral exploration,
12 removal, or disposal activity, to do either of the following:

13 (A) Enter upon, use, or damage the surface of the
14 lands or interfere with the use of the surface by any
15 grantee or by the grantee's successors or assignees.

16 (B) Conduct any mining activities of any nature
17 whatsoever above a plane located 500 feet below the
18 surface of the lands without the prior written permission
19 of any grantee of the lands or the grantee's successors or
20 assignees.

21 (4) With respect to any filled tidelands or submerged
22 lands conveyed to the city pursuant to Chapter 2 of the
23 Statutes of 1958, First Extraordinary Session, the state
24 shall comply with the limitations on any mineral rights
25 reservations provided for in paragraph (3), and shall
26 modify the instruments reserving those mineral rights
27 reservations, as appropriate, to memorialize those
28 limitations.

29 (5) All proceeds received by the State Lands
30 Commission from an exchange of sovereign lands of the
31 state shall be deposited in the Land Bank Fund created
32 in the State Treasury pursuant to Section 8610 for the
33 acquisition of real property. ~~Any proceeds that are~~
34 ~~designated for payment to the State Lands Commission,~~
35 ~~pursuant to any other sale, lease, conveyance, or other~~
36 ~~agreement for the use of state property pursuant to the~~
37 ~~transactions authorized by this subdivision shall be~~
38 ~~deposited in a subaccount of the Land Bank Fund, which~~
39 ~~proceeds, notwithstanding Section 13340 of the~~
40 ~~Government Code, are hereby appropriated to the State~~

~~Lands Commission, without regard to fiscal years, for expenditure for the purpose of providing necessary state review of management of public trust property as provided by Sections 6301 and 6306.~~

(d) The property interests in the state property to be conveyed to the city pursuant to the authorizations contained in subdivisions (b) and (c) shall be subject to the following additional limitations:

(1) No more than 20 acres of the state property may be paved or otherwise used as permanent parking for the project.

(2) No more than 60 acres of state property may be used for intermittent public parking for football games and a limited number of other special events related to the project, and for all other days of the year, that state property shall be available to the public for recreation purposes. *Any agreements related to parking for the project on state property north of Yosemite Slough shall terminate no later than January 31, 2004.*

(3) The consideration for those property interests may consist of any of the following:

(A) Monetary consideration.

(B) Improvements to the recreation area that support its use as a public park.

(C) Replacement of any portion of the recreation area conveyed to the city with recreation benefits or facilities of equal or greater value within the recreation area.

(D) Other nonmonetary consideration, including, but not limited to, relinquishment by the city of its reversionary rights over parcels conveyed to the state in 1983 for formation of the recreation area.

(E) Any combination of the foregoing.

(e) All state agencies shall take any necessary or appropriate action to implement this section in a timely manner.

SEC. 4. Notwithstanding the Outdoor Advertising Act (Chapter 2 (commencing with Section 5200) of Division 3 of the Business and Professions Code), any sign permitted under Proposition F, approved by the voters of the City and County of San Francisco, at the June 3,

1 1997, special election, is hereby permitted. Nothing in this
2 section restricts the ability of the state to permit, approve,
3 install, control, or regulate signs on state property.

4 SEC. 5. An action may be brought under Chapter 4
5 (commencing with Section 760.010) of Title 10 of Part 2
6 of the Code of Civil Procedure by the parties to any
7 agreement entered into pursuant to Section 5006.8 of the
8 Public Resources Code to confirm the validity of an
9 agreement entered into pursuant to that section. In
10 addition to the recitations and determinations required
11 by Section 764.080 of the Code of Civil Procedure, the
12 statement of decision in the action shall include a
13 recitation of the underlying facts, and a determination
14 whether the agreement meets the requirements of
15 Section 5006.8 of the Public Resources Code, Sections 3
16 and 4 of Article X of the California Constitution, and any
17 other law applicable to the validity of the agreement.

